30 JUL 1965

MEMORANDUM FOR:

Deputy Director for Support

SUBJECT

Office of Security Annual Report

for Fiscal Year 1965

- i. This memorandum is for information only.
- 2. Attached as Tab A is a report of the noteworthy accomplishments and activities of the Office of Security for Fiscal Year 1965. Set forth under Tab B is a statement of the major objectives of this Office for Fiscal Years 1966 and 1967.
- 3. As a supplement to Tab A we have reported certain pertinent statistics under Tab C relating to the activities of the Office during Fiscal Year 1965.

SIGNED

Howard J. Osborn Director of Security

Attachments: As Stated

Noteworthy Accomplishments and Activities of the Office of Security

During Fiscal Year 1965

Security Affairs the semi-annual report relating intelligence community to maintain and improve gence, personnel, and physical security posture. The report will hereafter be prepared on an annuary 1966.	the Nation's counterintelli at overseas installations.

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- 3. Reviewed for the Chairman, USIB, several recommendations of the President's Foreign Intelligence Advisory Board in connection with the ______ Certain proposed actions were approved by the Special Assistant to the President for National Security and PFIAB and were submitted to the Security Committee for implementation. The following have been implemented: the establishment of a uniform glossary of terms as applicable in personnel security matters concerning homosexuality and perversion; and procedures for exchanging pertinent security cases for use in security indoctrinations.
- 4. Developed an Office of Security Plan, which gives security policies, tasks, procedures and concept of operations, for supporting CIA during tactical situations. A Tactical Task Force Security Officer was designated to ensure a security readiness.
- 5. Revised the (1962) Office of Security War and Contingency Support Planning Guide and furnished copies to both Headquarters components and major overseas stations and bases. It gives security concepts, policies, guiding principles and tasks which will guide preparatory Security Planning for Tactical/Contingency Crisis and General War.

- Conducted an Office of Security survey involving the functions and responsibilities of each office and staff. Implemented the recommendations contained in the survey report.
- 10. Completed approximately 175 forms management actions, implemented more than 50 records equipment controls and released in the Records Center 638 cubic feet of space.
- 11. Completed, approved and implemented for half of the Office of Security components new or revised records control schedules in the Records Disposition Phase.
- 12. Completed Security Reindoctrination Program No. 2 for all Headquarters personnel and incorporated the program into the CIA Review Briefing for the benefit of overseas returnees.

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14. Received a total of twenty-five suggestions from OS personnel during FY 1965. Sixteen of the suggestions were considered eligible and three were adopted for an adoption rate of 18.8%. Cash awards amounted to \$320.00 and savings realized from the adopted suggestions totaled \$7,000.00.

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- 17. Provided counterintelligence lectures on a continuing basis
- 18. Increased special coverage in the public media field and supplemented personnel security summaries regarding personalities in this field to the Assistant Director to the DCI.
 - 19. Established for operating component a close liaison channel
 - 20. Instituted a procedure to give greater protection to the identity
- Adopted centralized control systems in the Investigations Division so that desk supervisors are relieved of the necessity for maintaining individual controls, enabling them to devote more time to case supervision.
- 22. Eliminated the need for typing biographic mats in view of the new PHS because a page of the PHS containing necessary information for NAC's is filled in by the person involved and is reproducible through the Xerox process.
- 23. A terminal diget filing system installed in the Open Branch/ID has eliminated the need for continually shifting files and has reduced ? filing errors involving over 4,000 files maintained by the Branch.

jec me	cedure was established which permitted the completion of NAC's and investigations on industrial personnel whose use in sensitive protes was anticipated by OSA. The establish of a "cleared cadre" in advance of the actual date of utilization has ped to stablize the flow of cases to the field.
of a	25. Completed revision of administrative procedures whereby a system of record keeping was instituted for handling cover arrangents with the Department of Defense. New system involved discarding all obsolete material in files and installation of a tighter control of ords which will reduce to a minimum, possible errors in handling for arrangements of individuals concerned.
add	26. Advised and assisted Field Offices in extensive study of pote itional secondary cover mechanisms for use in field investigations. h mechanism is already established
pro	28. Completed a program for increasing the capability of field ce personnel in use of firearms by establishment of definite training cedures and by issuing such additional equipment, as necessary, to h field office.
eac	ce personnel in use of firearms by establishment of definite training cedures and by issuing such additional equipment. As necessary, to
eac	ce personnel in use of firearms by establishment of definite training cedures and by issuing such additional equipment, as necessary, to he field office. 29. Rendered extensive support to the Saigon bombing patients we

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vent syst	34. Revised as an automated system the security file retirement ram. To accomplish this, retired security files were incred, the date and place of birth of each subject was added to the em for quick identification purposes. The repacking of files resulted to regaining of 636 linear feet of file space at the Records Center.
	35. Coordinated with the Office of Training in selecting Office of rity personnel for casting in a security film on audio countermeasurensive techniques. Provided support and guidance in connection with ing.
	37. Completed a two-week Technical Security Audio Countermeas iliarization Course which included representatives from the Army, Ace, Navy and the Internal Revenue Service.
	38. Conducted technical inspections prior to and during hearings re 23 Congressional Committees and several meetings of the Presider of Foreign Consultants
	39. Provided Agency representation to the USIB Audio Counter- sures Subcommittee and served as an observer to the USIB Counterm

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	. Forwarded to stress totaling eight tapes. Each tape ave	the first collection eraged 90 polygraph
a possible	Assisted in a feasibility study of muscle stress parameter being studied by direction of DD/S&T.	action potential as
and the second s	. Conducted briefings for outgoing chiefs or reconnel on possible personnel security prob	
the securi	. Participated with the Policy and Planning ity aspects of the transfer of funds from the this Agency under the CIA Retirement Page	Civil Service Com-
coordinati Staff. Thi Collection	Established a Denied Area Realities Brid ion with the Contact Division and the DDI Co is Program is in conjunction with the Posit a Program and has resulted in an increase of the along with an increase in personnel secu	ollection Guidance ive Intelligence of qualitative positive
offices of	mprove the overall security of his files as	ecommendations were
•	. Conducted a study and prepared a report tricted Data material by the Agency includi ontrol as well as clearances for personnel i	ing all aspects of pro-

52. Conducted a special study in conjunction with the of State and various other Government agencies on the counte terrorist activities directed at U.S. installations and person out the world.	ering of
	mel through
54. Conducted approximately 300 surveys for the pur adherence to proper security controls in the installation of re-	pose of instead line telep
55. Utilized Special Agent personnel to support and a of Training in physical surveillance exercises on 31 different These exercises involved the training of both staff employees agent personnel.	occasions.

- 57. Adopted a new format in the Special Clearance Center for use in monthly reports on special clearance totals. This format permits the use of IBM print-outs as a report on significant shifts or changes in numbers of the special clearances without the necessity of preparing an abstract.
- 58. Reviewed plans, procedures and provided physical, personnel and document control security guidance in the establishment of ______ 25X1 centers and sub-centers in the intelligence community.
- 59. Initiated and conducted the briefings of security officers selected for overseas assignment on the requirements for surveys of CIA compartmented security centers within their overseas jurisdiction.

61. Prepared for DIA specific security policy guidance setting forth instructions on the assignment to Viet Nam of military personnel involved in codeword clearances.

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62. Furnished professional OS employees to the U. S. Secret Service on a TDY basis in support of the security aspects of President Johnson's inauguration. A Headquarters command post consisting of senior Headquarters personnel was manned during the inauguration.

- 64. Prepared OS contributions to the Annual Bureau of the Budget report on ADP funds, personnel and equipment. The overall report is prepared by the Office of Computer Services.
- 65. Installed devices to IRD equipment in cooperation with DD/S&T for the purpose of collecting data relating to human stress for further analysis.
- 66. Furnished a representative full time to the DDS Support Information Requirements Group to participate in a Systems Analysis for the development of an integrated management information processing system.
- 67. Furnished the chairman for a DDS Committee that established special security compartmentation requirements in the computer center and in the handling of automatic data processing.
- 68. Completed more than half of the conversion of the SRD master security index to machine language which is expected to be tested in late 1965.

Major Objectives of the Office of Security for

Fiscal Year 1966

- 1. Under conditions of expanding workload and proliferation of security responsibilities continue to exert every effort to render the optimum in security support through the use of presently available manpower assets.
- 2. Promote the exchange of pertinent security and counterintelligence information among the departments and agencies. In this regard, special security studies covering particular areas of concern are being prepared.
- 3. Promote effective and sound community security policy in accordance with established authority. Further, to ensure that such policy is being implemented effectively and in accordance with prescribed policy.
- 4. Establish uniform personnel security procedures, through the issuance of a DCID, for access to sensitive compartmented information.
- 5. Maintain a continual awareness and establish effective procedures both within CIA and the intelligence community for prompt investigative and other action to protect intelligence from unauthorized disclosure. Promote a high degree of security consciousness of intelligence personnel to the problem.
- 6. Promote and assist in the development of effective training and indoctrination programs to identify the nature and extent of the hostile threat.
- 7. Identify more definitely the significant security problems, tasks and guidelines which are germane to Agency Tactical/Contingency Crisis, and based on these findings develop security policies, tasks and guidelines (including checklists) for use in preparatory planning and for implementation during crisis.

- 8. Test emergency security policies, tasks and procedures during Agency peacetime Field and Command Post Exercises.
- 9. Review, from a Security standpoint, CIA Tactical/Contingency and War Plans which are written, and work with Agency elements concerned in making more definitive in-being plans for implementing such plans.
- 10. Continue coordination with and furnishing Security guidance to Agency components for use in development of their emergency plans.
- 11. Continue conversion of the Security Index to machine language and to start Security name searching by computer. Improve five on-going ADP projects.
- 12. Develop systems for covert case processing control and analysis and security credential issuances. Conduct feasibility study on ADP applications in the Interrogation Research Division and the Security Research Staff. Continue research and development of the polygraph computer study of stress.
- 13. Continue exploitation of and development of new sources of information pertaining to historical and current counterintelligence targets as well as targets of security concern.
- 14. Become oriented in intelligence activities insofar as they may represent counterintelligence targets; to initiate development of appropriate sources of information in this regard.
- 15. Promote practices and procedures to insure timely exchange of pertinent Security and Counterintelligence information both within CIA and the intelligence community with emphasis on overseas activities.
- 16. Revise and clarify the categories of non-staff and contractor personnel.
- 17. Refine and systematize the various elements of the Denied Area Realities Briefing Program.
- 18. Standardize the numbering system both at Headquarters and overseas with regard to interrogation reports so as to assist Headquarters in processing cases in line with the machine indexing system.

25X1	20. Adapt the system installed in IRD to give "on-line" print out of polygraph charts as they are being obtained in a live interview. This will afford optimum control of student examiners and afford a most advanced training technique. Hopefully to install a covert communication link to the student examiner so that the entire live interview can be controlled by an instructor at a remote location.
	21. Begin collecting data for voice frequency analysis during fiscal year 1966. During this time, IRD will determine the feasibility of this possible stress indicator.
25X1	
,: 	23. Determine the validity/reliability of the present polygraph instrumentation and technique through computer analysis of physiological data obtained through interviews.
	24. Undertake two security survey trips each to Africa, Latin America and the NE Area which will include approximately 50% of the installations in each of these areas.
25X1	

- 27. Complete research and development, in conjunction with TSD, on a glass or glass substitute to preclude injury by glass fragments resulting from violence directed at Agency installations overseas.
- 28. Under the existing programs with TSD, develop and test prototype devices to detect surreptitious entry into or substitution of Agency pouches as well as entry into safes, rooms and areas.

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29. Establish a more positive system of personnel identification and access control in Headquarters Building.
33. Test and evaluate the first production line models of the unified Audio Countermeasures Kit to ensure that they meet technical security requirements,
34. Continue to place requirements on TSD and DDS&T for the develop ment of nullification and isolation techniques and devices, audio detection equipment, and such other technical security equipment as may be required.
35. Provide a limited briefing on the threat of hostile audio surveil- lance for adult dependents of employees being transferred overseas.
37. Conduct audio countermeasures inspections of overseas installations at least once a year and, where possible, once every six months, and provide support as required.
38. Realign field office territorial jurisdictions; create additional resident agencies and shift managerial functions to areas where the work-
39. Establish additional secondary cover mechanisms in each of the

field office areas of responsibility.

40. Conduct a feasibility study for the methods with a view towards utilization of A	elimination of current case DP and computer facilities.
41. Conduct a study of the implication index and the possibility of direct access the	as of the centralization of DOD ereto for purposes.
42. Initiate a thorough study of Agenc regarding covert clearances and operational promulgating an appropriate Headquarters R	approvals, with a view toward
43. Continue to improve the positive of Security by the acquisition of new and imprintensive training of personnel and by the cerone field office in the Headquarters area.	proved equipment, by more
44. Develop and improve the assets of nish increased support in the field of industr gations.	
45. Increase the use of invasuitable in custody cases, surveillances, and requirements.	vestigators when necessary and direlated operational support
46. Develop the security survey capab expected expansion of such requirements in t	pilities to support the industrial security field.
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	52.	Reduce t	he backle	g of 3, 324	untyped repo	rts in the	field offices
by							tain categories
of	cases.		* .				_

5X1	53. Complete a cryptographic communications network between Head-quarters and field offices.	
J/\ 1	iteld offices.	
	54. Continue to emphasize file retirements in order to accommodate	
	space requirements.	
	55. Establish an Industrial Security Division within the Office of	
	Security. Standardize the policies, procedures, inspections and support	
	as they relate to industrial establishments and CIA. Conduct surveys into	
	the present industrial security program.	
	56. Continue providing personnel, budget and fiscal, logistical, and	
	training support and special services for all elements of the Office of	
	Comparison at the state of the	5X
	57. Continue updating the material presented in various briefings	
	under the Security Education Program.	
•	58. Provide support of the OS Career Service Board in reviewing the	
	files of all SS Careerists who are over twenty-five years of age and must	
	be considered as possible participants under the newly established CIA Re-	
	tirement and Disability System.	
	59. Explore the possible uses of ADP, in coordination with the OS	
	Records Management Officer, for the purpose of programming personnel	
	data into the ADP system and, thus, provide better and more prompt service	
	for the Carear Service Board and the Director of Security	

62. approvals	Study the advisability of consolidating security access
63. Manual.	Publish the updated Manual and the revised

Major Objectives of the Office of Security for

Fiscal Year 1967

Many of t	he objectives	listed for	Fiscal Year	r 1966 will	continue
through Fiscal	Year 1967.	It is antici	pated the fol	llowing obj	ectives will
be initiated for	Fiscal Year	1967:	•		

through Fiscal Year 1967. It is anticipated the following objectives will be initiated for Fiscal Year 1967:	
1. Complete the application study of ADP of Security Research Staff and Interrogation Research Division.	25X
2. Develop sources of information in the area of activities for use in development of counterintelligence targets.	20/
3. Undertake two security survey trips each to Africa, Latin America and the NE Area which will include approximately 50% of the installations in each of these areas.	25X
5. Undertake a special study on the Agency Courier System in the Head-quarters area.	
6. Install pilot model of the Personnel Identification and Control device (Badge Machine) at a selected barrier within the Headquarters Building.	
7. Complete the automation of all records concerning identification badges, credentials and identification cards.	
8. Increase the investigative coverage on industrial security cases.	
9. Procure items of audio countermeasures interest for evaluation of their usefulness and applicability.	
10. Implement new procedures based on the results of studies in FY 1966 concerning participation in a centralized DOD index.	5X1
11. Establish a new field office	-, ()
depending on the workload demands at the	

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offices in	Continue consideration to the feasibility of consolidating field areas where there is joint jurisdiction, taking into account cover and operational needs.
14. Industria	Conduct a thorough counterintelligence study as it applies to plants where CIA classified contracts are handled.
15. quarters	Present Security Reindoctrination Program No. 3 to all Head- personnel.

Next 3 Page(s) In Document Exempt

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NOTEWORTHY ACCOMPLISHMENTS AND ACTIVITIES OF THE EXECUTIVE STAFF DURING FISCAL YEAR 1964

cerning 1	Prepared comments by the Director of Central Intelligence con- ecommendations of the President's Foreign Intelligence Advisory sulting from its review of the ramifications of the espionage activities Implementing action by the Security Committee of
	mprove personnel security standards within the intelligence community initiated.
a p reli mi	At the request of the USIB, the Security Committee of USIB conducted nary assessment of the damage to intelligence information, sources,
and activ	ities resulting from the
	The Office of Security served as the focal point ommunity in this undertaking and compiled, correlated and prepared t for USIB.
	Completed a study of the security system yits good and bad qualities. Such paper is to be used in policy planning
matters.	

of intelligence sources and methods from unauthorized disclosure.

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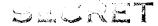


25X1

- 7. Recommended certain revisions of the basic security paper under which security operates.
- 8. Prepared a paper establishing industrial security policies for operation of certain Agency projects.
- 9. In order to assist the National Security Agency in the revision of its personnel security program, provided a synopsis of CIA regulations, notices and lectures relating to personnel security and supervisory responsibilities.

No	10.	Forwarded a	damage	assessment	report	to the	Executive	Director-

- 11. Prepared for the Chairman, USIB, the semiannual report to the President's Foreign Intelligence Advisory Board on actions taken during the period January through June 1964 to maintain and improve the nation's counterintelligence, personnel and physical security posture at overseas installations. This report contained individual contributions by all members of the intelligence community.
- 12. The Office of Security, acting as a focal point, directed an investigation of a possible unauthorized disclosure utilizing the investigative capabilities of most of the USIB member agencies.
- i3. Numerous reported possible unauthorized disclosures were reviewed and analyzed in coordination with Agency components concerned, regarding damage to sources and methods. Agency action was taken, as appropriate, including reports to the DCI.
- 14. Arranged with OSI/USAF headquarters for planning and carrying out of security support matters of mutual concern for contingency and wartime situations.
 - 15. Established an Office of Security Team, representing each staff



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	and division, in connection with The Team followed the exercise and took "simulated" action in support of CIA participation. This permitted OS to determine its strengths and weaknesses of emergency plans to support both overseas and Headquarters requirements. Following the exercise necessary action was taken, insofar as practicable, to correct recognized deficiencies.	,
	other Agency elements in support of This permitted O5 to go further	25X ²
25X1	in determining necessary security requirements in supporting CIA during joint CIA/DOD war games.	
25X1 25X1	17. Reviewed with War Plans Staff and the Deputy Senior War Planner policies, guidelines, and procedures for contingency and wartime planning	
* (*) * (*	18. Provided security guidelines to War Plans Staff in the development of a policy paper which outlined a charter for CIA Force Wartime Commanders	1.
	19. Developed a redeployment and evacuation planning guide which was furnished Security Officers assigned PCS overseas.	

through the SSA/DDS.

V21. Submitted to War Plans Staff a typical Security Annex for a CIA

Theater War Plan as a guide for Senior War Planners.

Headquarters responsibility for overseas evacuation be centralized at one point (War Plans Staff, DDP) and that coordination with DDS elements be handled

20. Submitted for the consideration of the DDCI a recommendation that

25X1 23. Served as a member of the United States Military Information Control Committee for the purpose of surveying the security capability of the

- 24. Prepared a cost analysis indicating the component security cost factors for Fiscal Year 1963 for investigation, appraisal, polygraph and badging of persons to be employed or used by CIA.
- 25. The Building Security Branch was furnished with 20,000 different random safe combinations by means of the computer, thereby providing greater security than having employees select their own numbers.
- 26. A clearance register in the Office of Security was reorganized through use of computers so that clearances by separate organizations, groups of people, etc., could be provided rapidly for operational purposes.
- 27. Inactive security files continue to be transferred from expensive Headquarters office space to the more economical Records Center for storage. Last year 549 cubic feet of inactive records from six divisions and staffs were thus relocated (emptying more than 10 safes and 20 shelf file units) saving \$3,189 per year in storage costs besides gaining valuable office and filing space. A total of 2,088 cubic feet of security files are now in the Records Center.
- 28. All components in the Office of Security completed the re-evaluation, revision, and updating of their vital records deposit at the Agency Relocation Site. Some 400,000 items of irreplaceable files and index cards were put onto 100 reels of microfilm for safe storage. Schedules were completed for the periodic updating of these vital records on a routine basis.
- 29. Rendered security advice and guidance to the Honor and Merit Awards Board in connection with the processing of 101 cases.
- 30. Furnished security representation to the Board of Review of Shortages and Losses. During the fiscal year a total of 21 cases were adjudicated.

OBJECTIVES - FY 1965

25X1	1. To continue to direct the CIA Task Force monitoring the possible effect of thecompromise upon CIA classified information and sources and methods, and to effect prompt corrective action and recommendations to the DCI as appropriate.	
25X1	2. To prepare a final intelligence assessment of the damage resulting from	
. •	3. To develop for consideration by the Security Committee, USIB, means and methods to improve the security systems used within the intelligence community.	
	4. To complete revision of the Office of Security War and Contingency Support Planning Guide for use by Senior War Planners as a ready security reference and guideline on contingency and wartime planning.	
·	5. To provide guidance and assistance to War Plans Staff and Area Divisions in the development of security plans in support of overseas contingency, emergency and wartime situations.	
	6. To hold one or more alerts of the Security patrol to determine its activation effectiveness and to correct any deficiencies determined.	
	7. Prepare and forward to security officers sanitized summaries of interesting cases which could be used in briefing personnel regarding the dangers and hazards of personnel indiscretions, misconduct and the possibility of harrassment and blackmail by hostile opposition intelligence services and for use in performing investigative and other security functions.	25X′
	8. Continue to promote practices and procedures to ensure the timely exchange of pertinent security and counterintelligence information, both within CIA and the community, for the protection of personnel and installations with emphasis upon overseas activities.	

- 9. Continue to investigate promptly possible unauthorized disclosures, make analysis of damage caused thereby, attempt to identify the source of the "leak," recommend corrective action and continue to promote an awareness among Agency personnel regarding the seriousness of such matters.
- 10. For Fiscal Year 1965, the ADP Program for the Office of Security, besides the conversion of the SRD Index, envisions new areas such as the establishment of a standard case processing control system on all cases, the expansion of ADP in administrative procedures which lend themselves to automation, and the exploration of the use of an electronic link with other government agencies for investigative and name check purposes.

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